

# Conflicts of Interest and Outside Activities Policy



Version 2.1

Owner: Transparency, Ethics and Data  
Protection

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2.0	01/10/15	Version 2.0 published
2.1	23/09/16	Version 2.1 published to include amendment to Section 1 and addition of one new FAQ in Section 11.

## 1. Policy statement

A conflict of interest occurs when your personal interests or loyalties to a person or organisation outside Network Rail affect - or appear to affect - the impartiality, judgment or effectiveness expected from you in your role here.

Everyone working for or on behalf of Network Rail has a duty to avoid conflicts of interest. You must declare any actual or potential conflicts of interest on [iEthics](#)<sup>1</sup>.

If you do not have access to a computer you must discuss the situation with your line manager and make your HR Business Partner aware. You should also ask someone with access to a computer and Oracle, to submit a declaration on [iEthics](#) on your behalf.

Line managers must manage all conflicts of interest in accordance with this policy.

If you're not sure whether you have a conflict of interest or have a question about anything in this policy, talk to your line manager or contact the Ethics team: [ethics@networkrail.co.uk](mailto:ethics@networkrail.co.uk).

## 2. Scope

This policy applies to everyone that works for or on behalf of Network Rail in every wholly-owned Network Rail company and in every joint venture company under Network Rail control. Joint venture companies not under Network Rail control and joint venture partners should be encouraged to adopt a similar policy to manage conflicts of interest.

## 3. Recognising a conflict of interest

If you are not sure whether you have a conflict of interest, ask yourself:

- Q. Could the situation affect, or appear to affect, any of my decisions for Network Rail?
- Q. Would my family, someone I have a close personal relationship with or I gain anything because of my relationship with the third party doing business with Network Rail, or vice versa?
- Q. How might the situation look to a colleague or someone outside Network Rail e.g. another customer, supplier, member of the public or the media?

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<sup>1</sup> iEthics can be found in the Oracle E-Business Suite, within 'Employee Self-Service (incl. LOA) NR'.

Q. Would I feel under any obligation due to the relationship I have with the third party?

If the answer to any of these questions is yes or raises any doubts in your mind, there is probably a conflict of interest.

Common examples of conflicts of interest include:

- You, or a close family member, have a **financial interest** in a company that does or wants to do business with Network Rail, for example as a supplier or customer. The financial interest could be because of a directorship, shareholding,<sup>2</sup> employment or consultancy.
- You employ, or plan to employ, a relative or someone you have a **close personal relationship** with, or you have or develop a close personal relationship with someone in your reporting line.
- You, or a family member or friend, work for one of Network Rail's customers, suppliers or close business partners and can **make or influence decisions** that would affect the relationship between the two.
- You have a paid or unpaid second job, consultancy, part-time or freelance activity, directorship or other position that could **interfere with your ability to fulfil your responsibilities** at Network Rail.
- You have previously undertaken roles in other companies that could affect or appear to affect your **impartiality in your role** at Network Rail, for instance you used to work for a company who have tendered for a contract with Network Rail, that you are responsible for awarding.

If you're still not sure about whether you have a conflict of interest, please get in touch with the Ethics team: [ethics@networkrail.co.uk](mailto:ethics@networkrail.co.uk).

#### 4. How to manage a conflict of interest

You must discuss the situation with your line manager and if possible, remove yourself from the situation. If this is not possible then you must declare your situation on [iEthics](#). Your line manager is responsible for dealing with the conflict of interest, including putting in place processes and safeguards to manage it in line with this policy. You must discuss the conflict regularly and record any changes to it on [iEthics](#) promptly.

All information added to [iEthics](#) is handled in a confidential and sensitive manner. Your entries can be viewed only by you, your line manager, the ethics team and the Business Integrity department. [iEthics](#) is also subject to audit by Network Rail Internal Audit.

#### 5. Guidance for line managers

As a line manager you are responsible for dealing with any actual or potential conflicts of interest brought to your attention by members of your team within 5 working days, or as soon as practically possible thereafter.

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<sup>2</sup> It is against the law to pass on, use or act on unpublished, price-sensitive information for dealing in shares - see our [Share Dealing policy](#) for more information.

You need to make sure you know enough about the situation to be able to judge whether or not the role or relationship concerned is a risk to the company. Consider the questions set out in Section 3 of this policy. Once you have identified the main risks and put in place measures to manage them, a record of these measures must be added to [iEthics](#) as part of the approval process.

To manage a conflict of interest, you may need to rearrange an employee's duties, change reporting lines, arrange third party supervision or transfer the employee to another function or business area.

If you're not sure of the best course of action, ask for advice from the Ethics team ([ethics@networkrail.co.uk](mailto:ethics@networkrail.co.uk)), your HR business partner or contact [HR Direct](#).

## 6. Personal relationships at work

You should not manage or supervise a relative or someone you have a close personal relationship with, for example a girlfriend or close friend. If this happens, you must discuss the situation with your line manager and declare the relationship on [iEthics](#) as soon as you can. Similarly, if you have a close personal relationship with someone and have the power to influence decisions about their safety, pay, promotions, career development and discipline, this is a conflict of interest and should be declared on [iEthics](#).

Network Rail's [Working with Relatives/Personal Relationships at Work](#) policy contains more detail on how to handle these types of situations, including how to make alternative management arrangements.

## 7. Recruitment

Network Rail employees sometimes recommend people from outside the company for vacancies we are trying to fill. We support this, subject to two qualifications:

- if you are a manager, you must not recommend a relative or someone you have a close personal relationship with if they would be managed by you or one of your direct reports
- you should never be involved in the process of recruiting a relative or someone you have a close personal relationship with to Network Rail.

Network Rail's [Working with Relatives/Personal Relationships at Work](#) policy contains more information on this.

## 8. Outside activities

Outside activities might include second jobs, volunteering, directorships, consulting, and the creation of a new company. They are only acceptable if they are unlikely to affect, or be perceived to affect, the impartiality, judgment, health & safety, or effectiveness expected from you in your role at Network Rail.

### Second jobs

If you are considering taking a second job or undergoing some voluntary work, talk to your line manager about it first. If the activity does not create or appear to create a conflict of interest, then it doesn't need to be registered. If it does cause or even appear to cause a conflict of interest, or if it is a senior position, you must declare it on [iEthics](#) and await approval before you accept it.

If you think the activity and your day job combined will take you more than 48 hours a week averaged over 17 weeks, you need to complete the [Working Hours Opt Out form](#) to comply with the EU Working Time Regulations.<sup>3</sup>

### **Appointments on behalf of or for the benefit of Network Rail**

If you are expected to take up an external role as part of your job at Network Rail, for example representing the company on a local community group, you must declare this on [iEthics](#) so there is a record of it.

When considering this type of appointment, always be mindful:

- it must have direct and relevant need or benefit to Network Rail – this could include development of your own skills in areas relevant to Network Rail
- it must not impose excessive demands on your working time or attention – and you shouldn't normally hold more than one external appointment at a time
- if there's a risk that an external appointment might create or risk creating a conflict of interest for you or a colleague, discuss this with your line manager and update your [iEthics](#) record.

### **Non-Executive Directorships**

Network Rail is supportive of employees developing their careers by looking for and taking senior positions outside the company. Non-executive directorships with other organisations are a good example of this. Before you apply for a position of this sort, discuss your intentions with your line manager, then record it in the normal way through [iEthics](#). If the appointment is a Network Rail nominated employee appointment, any fees earned should be either waived or paid to Network Rail.

## **9. Speak Out**

If you have concerns about any potential breaches of this policy, you can raise them through the line manager structure, or contact the Ethics team at [ethics@networkrail.co.uk](mailto:ethics@networkrail.co.uk).

Alternatively, report it through Network Rail's confidential and anonymous Speak Out service by phoning 0808 143 0100 or online at <http://www.intouchfeedback.com/networkrail>.

Network Rail has a strict policy of zero tolerance of retaliation against people who speak out. For more information about speaking out, read our Speak Out policy.

## **10. Breaches**

We will investigate any actual or suspected breach of this policy, or the spirit of this policy, thoroughly and impartially. Employees found to be in breach of this policy may be subject to disciplinary action which may ultimately result in their dismissal.

## **11. FAQs**

### **Q) Can a member of my family apply for a job at Network Rail?**

As long as you are not personally involved in the recruitment process and the person will not report to you either directly or indirectly, there is no problem. Network Rail's

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<sup>3</sup> This applies to employees of Network Rail and not to suppliers, contractors or any self-employed individuals who work for Network Rail as we are not responsible for the hours they work.

policy on Working with Relatives and the [Recruitment & Selection](#) policy contain more detailed guidance on recommending candidates to Network Rail.

**Q) A member of my family or a close friend works for Network Rail – do I need to register this on [iEthics](#)?**

You should only disclose your relationship on [iEthics](#) if (or when) there is a possibility for it to become – or be perceived as – a conflict of interest. This means one of you having the power to influence decisions that would affect the other, such as being the other's line manager or being involved in various company processes such as performance or projects evaluations, internal investigations or company restructuring.

**Q) Can a consultant work for both Network Rail and one of its business partners (e.g. supplier, contractor), at the same time?**

Generally this wouldn't be permitted, however it might be approved in some circumstances. The type of work that the consultant does must be considered and non-disclosure agreements should always be signed. If he or she is exposed to confidential information or works on a common project for more than one party, then it would not be considered appropriate.

**Q) My husband works for one of our suppliers – do I need to register this on [iEthics](#)?**

If your relationship could affect, or appear to affect, any of your decisions for Network Rail, then you must discuss the situation with your line manager and register it on [iEthics](#).

**Q) I am volunteering for a charity through Network Rail – do I need to register this on [iEthics](#)?**

If you are a Network Rail permanent employee, you can take up to five days volunteer leave to volunteer with an approved charity (with agreement from your line manager). This does not need to be registered on iEthics. The [Volunteer Application Form](#) contains further details, including how to get approval. Please ensure the volunteer work that you are doing doesn't create a conflict of interest with your role at Network Rail.

**Q) I have a second part-time job which I have declared and discussed with my line manager. Do I need to do anything else?**

Your line manager should schedule a review meeting after you've made and discussed the declaration to consider whether the arrangement is working. Following that, any issues will be discussed at your regular 1:1s. If you think the activity and your day job combined will take you more than 48 hours a week averaged over 17 weeks and you are a Network Rail employee, you need to complete the [Working Hours Opt Out form](#) to comply with the EU Working Time Regulations.

**Q) I own shares in one of Network Rail's suppliers – is this a conflict of interest?**

Owning shares in an organisation that supplies us is not necessarily a conflict of interest. However, buying or selling shares (or encouraging someone else to do so) in a company that does, or may wish to do business with Network Rail, based on unpublished price-sensitive information is illegal. Have a look at our [Share Dealing policy](#) for more information.

**Q) If my family member or friend has declared the conflict of interest to their employer, do I also need to declare it to Network Rail?**

Yes. You must always let your line manager know of any actual or potential conflicts of interest irrespective of whether the other person concerned has informed their employer. If there is a conflict of interest, you should record the situation on [iEthics](#).

**Q) What should I do if a conflict I previously declared is no longer relevant?**

You should inform your line manager of any changes to your conflict of interest as soon as possible after these changes become apparent. You must also update the entry on [iEthics](#) and set the conflict to 'Expired'. For support using [iEthics](#), please view our [user guide](#).